



## **IRISH LIFE INVESTMENT MANAGERS (ILIM)**

### ***The week that was – WEEK 44 (ending 30/10/2015)***

**“Don’t wait. The time will never be just right.” – Napoleon Hill**

**CSO reports Irish retail sales up over 8% on annual basis** – Latest figures from the Central Statistics Office (CSO) show retail sales in September were up 8.6% compared to the same month last year and up 0.3% in September compared to August. This confirms the trend reported by Retail Excellence Ireland previously.

**Lending to Irish households continues fall** – According to the latest report from the Central Bank, lending to households reduced by 2.7% compared with the same period in 2014. This continued the recent trend of year on year falls in lending for the third month in a row. It shows that consumers are reluctant to extend their debt.

**Global stocks have best monthly gain in 4 years** – Major world stock market indices posted their best month in at least four years. The Euro Stoxx 50 index had its best monthly gain in more than six years while the MSCI World index had its best monthly rise since October 2011, similar to the three major U.S. indices.

**U.S. economic growth slows in Q3** – Real gross domestic product in the U.S. rose at an annualised 1.5% in Quarter 3 compared to 3.9% in Q2 but this was broadly consistent with Wall Street estimates. The main reason quoted for lower GDP, expected to rewind, was a slowdown in stock accumulation by companies.

**Euro zone inflation zero in October** – The European Union's statistics office Eurostat estimated consumer prices in the euro zone were unchanged in October compared to levels 12 months earlier, after falling 0.1% year-on-year in September. This may maintain pressure on the European Central Bank to extend QE.

**S&P says Britain may face rating cut if it leaves EU** – In a Reuters interview, Standard & Poor's chief European sovereign rating officer said a vote by Britain to quit the EU would be likely to result in a one-notch downgrade, which could increase to two notches if relations between London and Brussels deteriorated badly.

**The Story of the week:** Lottery raffle winners in the U.K. could miss out on million pound prizes after the wrong winning codes were posted online. Camelot said “human error” was to blame after incorrect Millionaire Raffle codes appeared on its website on October 10. Four prize tickets are still to be claimed but they may already be ripped up!

#### **DISCLOSURE:-**

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## Index Performances and Market Data\*

<b>Equity Markets % (in Local Currency)</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015 YTD (to 30/10)</b>
ISEQ Overall Return	-0.1	2.6	20.5	35.8	16.8	26.4
FTSE 100 TR	12.6	-2.2	10.0	18.7	0.7	0.1
Euro Stoxx 50 TR	-2.8	-14.1	18.1	21.5	4.0	11.1
S&P 500 TR	15.1	2.1	16.0	32.4	13.7	2.7
Nasdaq Composite	16.9	-1.8	15.9	38.3	13.4	6.7
Nikkei 225	-3.0	-17.3	22.9	56.7	7.1	9.4
MSCI Emerging Markets	11.7	-14.9	13.9	0.9	2.6	-4.2
MSCI World	7.8	-7.6	13.1	26.2	7.7	2.0
<b>Sovereign 10yr Bond Yields (%)</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015 YTD</b>
US	3.3	1.9	1.7	3.0	2.2	2.2
German	3.0	1.8	1.4	1.9	0.5	0.5
UK	3.4	2.0	1.9	3.0	1.9	1.9
Japan	1.1	1.0	0.7	0.7	0.3	0.3
Ireland	9.1	8.4	4.5	3.4	1.3	1.1
Italy	4.8	7.1	4.6	4.1	2.1	1.6
Greece	12.5	31.7	12.7	8.2	9.6	7.6
Portugal	6.6	13.4	6.9	6.1	2.7	2.5
Spain	5.5	5.1	5.4	4.1	1.6	1.7
<b>Central Bank Rates (%)</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015 YTD</b>
ECB	1	1	0.75	0.25	0.05	0.05
Bank of England	0.5	0.5	0.5	0.25	0.50	0.50
US Federal Reserve	0.25	0.25	0.25	0.25	0.25	0.25
<b>Foreign Exchange Rates</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015 YTD</b>
Euro/Dollar (€/\$)	1.34	1.30	1.31	1.37	1.21	1.10
Euro/Sterling (€/£)	0.86	0.83	0.81	0.83	0.78	0.71
Sterling/Dollar (£/\$)	1.56	1.55	1.61	1.65	1.56	1.55
<b>IPD All Property Return (%)</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015 YTD</b>
Ireland	-2.4	-2.4	3.1	12.7	40.1	10.9 (Q 2)
UK	14.5	8.1	2.7	10.7	17.8	6.5 (Q 2)
US	14.8	14.5	5.3	11.4	11.2	7.2 (Q 2)

\*Past performance is not a reliable guide to future performance